

SENATE NO. 1515

AN ACT RELATIVE TO INCREASING THE COST OF LIVING ADJUSTMENT (COLA) BASE

*Be it enacted by the Senate and House of Representatives in General Court assembled,
And by the authority of the same, as follows:*

1 SECTION 1. Section 22C of chapter 32 of the General Laws, as appearing in the 2004 Official
2 Edition, is amended by striking out in line 29 the number “23” and inserting in place thereof the
3 following number: - 26.

4 Section 2. Section 22D of said chapter 32, as appearing in the 2004 Official Edition, is
5 amended by inserting in line 29 after the word “approve” the following words: -
6 provided further, however, that in the event that a system has accepted the provisions of
7 paragraph (j) of Section 102, the funding schedule, and any updates thereto, shall be designed to
8 reduce the unfunded actuarial liability of said system to zero as of such year, that may be
9 subsequent to June 30, 2028, as the commission shall approve.

10 Section 3. Paragraph (c) of section 102 of said chapter 32, as appearing in the 2004 Official
11 Edition, is amended by striking out in lines 32, 36 and 43 the dollar amount “\$12,000” and
12 inserting in place thereof the following dollar amount: - \$16,000.

13 Section 4. Section 103 of said chapter 32 is amended by inserting the following new
14 paragraph: -

15 (j) Notwithstanding the provisions of paragraph (a) to the contrary, the board of any
16 system may, by accepting the provisions of this paragraph as hereinafter provided, elect
17 to pay a cost-of-living adjustment on a base amount greater than \$12,000. Acceptance of
18 this paragraph shall be by a majority vote of the board of such system, subject to the
19 approval of the legislative body. For the purpose of this paragraph, "legislative body"
20 shall mean, the city council in accordance with its charter, in the case of a town, the
21 town meeting, in the case of a county or region, the county or regional retirement board
22 advisory council, in the case of a district, the district members, and, in the case of an
23 authority, the governing body. Acceptance of this paragraph shall be deemed to have
24 occurred upon the filing of the certification of such vote with the commission. A
25 decision to accept the provisions of this paragraph may not be revoked.

26 Notwithstanding the provisions of subdivision (6A) of Section 22 or Section 22D to the
27 contrary, for each system that has accepted the provisions of this paragraph, the board, in
28 consultation with the commission, shall prepare a funding schedule which shall reflect
29 the costs and the actuarial liabilities attributable to the cost of living allowance that may
30 be paid in accordance with the provisions of this paragraph and said schedule shall be
31 designed to reduce the applicable retirement system's pension liability to zero by such
32 year, that may be subsequent , as approved by the commission. The board shall file
33 revised funding schedules triennially with the joint committee on public service until
34 such costs and liabilities are reduced to zero.

35 Section 5. The provisions of sections one and three of this act shall take effect for cost of
36 living adjustments to be made, in accordance with the provisions of section 102 of said chapter
37 32, commencing July 1, 2007.